

Motor Vehicle Excise

All Massachusetts residents who own and register a motor vehicle must annually pay a motor vehicle excise. The excise is levied by the city or town where the vehicle is principally garaged and the revenues become part of the local community treasury. MGL Ch. 60A.

The Registry of Motor Vehicles prepares excise bills according to the information on the motor vehicle registration. They are sent to the city or town assessors who commit them to the local tax collector for distribution and collection of payment. Cities and towns may also prepare their own bills based on excise data sent by the Registry in conformity with Registry requirements.

An excise at the rate of \$25 per one thousand dollars of valuation (effective 1/1/81) is levied on each motor vehicle.

Figures are the manufacturers' list prices for vehicles in their year of manufacture. Every motor vehicle owner must pay an excise tax based on valuation of at least ten percent of the manufacturer's list price.

Collection / Payments

Local tax collectors are responsible for collecting the motor vehicle and trailer excise. Generally tax collectors and deputy tax collectors do not accept partial payment of an excise tax bill. Taxpayers should be prepared to pay the full amount due. There are no special considerations for financial hardship.

Payment of the motor vehicle excise is due 30 days from the date the excise bill is issued (not mailed, as is popularly believed). A person who does not receive a bill is still liable for the excise plus any interest charges accrued. All owners of motor vehicles must pay an excise tax; therefore, it is the responsibility of the owner to contact the local assessor if he/she has not received a bill.

Non-Payment of an Excise Bill

If the service warrant demanding final payment is ignored, the collector may then notify the Registrar of Motor Vehicles of such non-payment, including all accrued interest and penalty fees. The Registrar may then mark the individual's registration preventing the renewal of the motor vehicle registration and the owner's driver's license until such time as the Registrar is notified that full and final payment has been made to the city or town. Once the bill has been paid, the municipality will give the motorist a receipt so he or she can return to the Registry to re-register his/her vehicle.

Abatelements

If an owner of a motor vehicle thinks that he/she is entitled to an adjustment of his/her excise bill, it is strongly recommended that he/she pay the bill in full, then contact the local Board of Assessors for an application for abatement. Although payment of a bill is not a precondition for an abatement an owner risks incurring late fees and penalties if an abatement is not granted.

Abatelements can be filed if the owner believes the assessment is incorrect, if the vehicle was sold, if the owner moved, registered the vehicle in another state, and cancelled the registration in Massachusetts, or did not renew the registration in Massachusetts.

Cancellation of Registration

If the registration is cancelled, it is most important to return the plate(s) to the Registry of Motor Vehicles and obtain a return plate receipt. When an abatement is granted, excise bills are prorated by the month, thus the owner is responsible for the excise accrued through the month in which the car was last registered to him/her.

If the application for abatement is denied at the local level or if a decision is not made within three months of filing, the denial can be appealed to the State Appellate Tax Board.

If a motor vehicle owner moves within Massachusetts and has not paid an excise tax for the current year, he/she should immediately notify the local assessor of his/her new address. The owner must pay the motor vehicle excise to the city or town in which he/she resided on January 1. If the owner moved before the first of the year, he/she must pay the tax to the new community to which the owner moved. If the owner did not notify the Registry, the local assessor, and the post office that he/she moved before the first of the year, it may be necessary to file for an abatement with the former city or town which had sent the excise bill. Most cities and towns will dismiss the bill and reroute it to the new community once the owner furnishes proof that he/she had moved before the first of the year.

What To Do If You Move Out of Massachusetts

If the owner of a vehicle moves out of Massachusetts and registers his/her vehicle in another state and cancels his/her Massachusetts registration or does not renew the Massachusetts registration, he/she can file an application for abatement for that portion of the year after the month in which the motor vehicle was registered in the new state or in which the Massachusetts registration was cancelled, whichever is the later.

If Your Motor Vehicle is Sold

If an excise bill is received for a vehicle or trailer, which has been sold, the seller must return the plate(s) to the Registry of Motor Vehicles, get a return plate receipt, and file an application for abatement together with the return plate receipt and the bill of sale with the Board of Assessors. The bill will be adjusted to reflect the portion of the year when the vehicle was owned by the recipient of the bill. **It is important to remember that the bill for a vehicle you no longer own should not be ignored.**

If Your Motor Vehicle is Traded

If an excise bill is received for a vehicle, which was traded, and which was not owned in the calendar year stated on the bill, it is recommended to pay the bill and then file an application for abatement with the Board of Assessors. The application must accompany a copy of the registration for the new vehicle, which indicates the date of transfer.

If an excise bill is received for a vehicle which was traded but which was owned for a portion of the calendar year stated on the bill, it is necessary to pay the bill and then provide a copy of the registration for the new vehicle which indicates the date of transfer together with an application for abatement to the Board of Assessors.

If A Vehicle Is Stolen

If the vehicle is stolen and not recovered within 30 days, the owner will be entitled to an abatement if the theft of the vehicle was reported to the local police within 48 hours of discovery of the theft. After 30 days, the owner must surrender the certificate of registration and obtain a certificate from the Registry of Motor Vehicles indicating that he/she has done so. This certificate and the local police report of the theft should be presented to the Board of Assessors with an application for abatement. The board will adjust the bill and grant an abatement for the remaining portion of the year. If the motor vehicle or trailer is subsequently recovered and reregistered, another excise bill will be issued for the remainder of the year. Falsely reporting the theft of a motor vehicle or trailer will result in severe penalties and a person may be charged up to three times the excise due on the vehicle for an entire year.

Excise Tax Exemptions

Chapter 60A, Section 1 of the Massachusetts General Laws provides excise tax exemptions for vehicles owned by certain disabled individuals and veterans, ex-prisoners of war and their surviving spouses* and certain charitable organizations. Please contact your local assessor for further details on eligibility.

For More Information

Questions about your motor vehicle excise should be directed to your local board of assessors. It is best to put all questions in writing and to request a written response so that procedures are clearly defined should additional difficulties arise. It is also important to remember that deputy tax collectors or collection agencies are agents of your local tax collector. Complaints concerning the performance of their duties should therefore be directed to your local tax assessor.

Important Reminder

Remember that when you register a motor vehicle, a motor vehicle excise bill is generated and you are responsible for its payment. If you move within Massachusetts or out-of-state, if you sell or trade your motor vehicle, or if it is stolen, you need to make every effort to obtain the bill, to pay it, and then to apply for an abatement if you are eligible.

And lastly, to avoid not receiving an excise tax bill on time, please keep the registry, your local tax assessor, and the post office aware of your current mailing address.